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SUBJECT: ITALY: INFORMATION REQUEST CONCERNING UN 1267
COMMITTEE DE-LISTINGS

REF: A. A. ROME 2515
 1B. B. ROME 2143
 1C. C. STATE 139684
 1D. D. STATE 145622

Classified By: IO PDAS James B. Warlick, Reasons, 1.4 (b) and (d)

11. (U) This is an action request; please see paragraphs 11-14
and 18-19.

12. (C) Summary: On December 21, Stefania Fancello at the
Italian MFA's Office of International Cooperation against
Terrorism conveyed a request to Embassy Rome officials for
more information on the 1267 (al-Qaida/Taliban Sanctions)
de-listing cases of Ahmed Idriss Nasreddin, Youssef Nada, and
Ali Ghaleb Himmat (see Ref A). This cable responds to the
Italian government's request for information concerning the
U.S. perspective on these three de-listing petitions. End
Summary.

Nasreddin

13. (U) Ahmed Idriss Nasreddin (an Eritrean-born Italian
citizen) was jointly listed by G7 nations pursuant to UNSCR
1267 and related resolutions (al Qaida Taliban Sanctions) on
April 22, 2002. Mr. Nasreddin applied on April 13, 2007 to
the UN Focal Point system for the de-listing of himself and
12 entities associated with him. The Focal Point office
forwarded the request to listing countries (G7), the Kingdom
of Morocco (country of residency), and relevant governments
of incorporation of Nasreddin-linked entities. These
governments had three months to review the petition and
decide to oppose or support delisting, or to request
additional time to review the petition. These Member States
could also opt to not take a position for or against the
request. In July 2007, an extension for reviewing
Nasreddin's petition until October 12 was granted to ensure
thorough consultations on Nasreddin's petition.

14. (C) In September, the Italians indicated to the USG that
they would likely support the decision to de-list Nasreddin,
or, at minimum, remain silent (Ref B). However, both MFA and
Ministry of Finance officials requested insight on the USG
position, stating that it would factor into the Italian
decision. In late September, the USG informed the GOI that
we would support de-listing Nasreddin barring receipt of
relevant new information. (see Ref C).

15. (C) In October, the GOI reversed its previous position
after an Italian magistrate reviewed the case. GOI officials
explained that they did not want to contradict their own
magistrate's opinion, or to publicly name an Italian national
as a terrorist, so the GOI could no longer support
de-listing. However, the GOI encouraged other countries

reviewing the petition to object to the de-listing, even though the Italians indicated that they would likely remain silent. After considering the Italian position and carefully reviewing the Italian magistrate's decision, we determined that there was no new evidence provided that would sway our decision to support the de-listing, and Post conveyed our position to Italian authorities on October 18 (Ref D). The USG filed its papers supporting the decision to de-list Nasreddin via the UN Focal Point in early November 2007. The GOI opted to remain silent. As the USG was the only state reviewing the Nasreddin petition that informed the UN Focal Point of its position, the 1267 Committee was so informed and the item was added to the November 5 agenda of the 1267 Committee for discussion. The US position was then circulated to committee members under a 5-day no objection deadline (NOD). None of the committee members objected to our position, so Nasreddin was de-listed on November 10, 2007.

¶6. (C) Nasreddin appealed on December 21 to the Italian legal system for compensation. The Italian ministries are now coordinating their positions on this issue, and the GOI is seeking an explanation of U.S. reasoning behind the decision to support de-listing, likely to help bolster their case to deny compensation.

Nada

¶7. (U) Yousef Moustaffa Nada (an Egyptian-born Italian citizen) was listed pursuant to UNSCR 1267 and related resolutions on November 9, 2001. Nada was designated as an al Qaida/UBL financier who was thought to have operated an extensive financial network providing support for terrorist related activities in collaboration with Nasreddin. Nasreddin's corporate holdings and financial network provided direct support for Nada and Bank Al Taqwa, which were previously designated by the USG and under UNSCR 1267 on November 7 and 9, 2001, respectively. Nasreddin and Nada were both directors of Bank Al Taqwa and Akida Bank. Nada held a controlling interest in Bank Al Taqwa, Nasreddin in Akida Bank. Both banks were thought to be shell companies lacking a physical presence. They shared the same address in the Bahamas, where they were licensed, until the Bahamian government revoked the licenses of both banks.

¶8. (U) On April 11, 2007, Nada applied to the UN Focal Point for his de-listing. The Nada de-listing petition was forwarded to the US (designating state) and Italy (country of citizenship/residency). After informing the GOI that we were likely to oppose Nada's de-listing, and having heard no objection from the GOI, we informed the UN Focal Point in September 2007 of our opposition to Nada's de-listing request. The 1267 Committee was informed of our opposition, and Nada remains listed.

¶9. (C) Since his denial by the Focal Point, Nada has petitioned a judge to urge the competent Italian authority to appeal his case via the UN 1267 Committee. Noting that the USG made a public statement when Nada was sanctioned domestically and at the 1267 Committee, the GOI is requesting that the USG provide the GOI with a public statement that they may use in subsequent legal proceedings explaining why the USG believes Nada should remain on the 1267 list.

Explaining the U.S. positions on Nasreddin and Nada

¶10. (U) In order to facilitate continued cooperation with the GOI on issues relating to the UN 1267 Committee, the Department requests that Post share the reasoning in paragraphs 11-14 and 18-19 with representatives of the Italian government at the appropriate level.

¶11. (U) With regard to Nasreddin, the USG position was based on the determination that Nasreddin no longer fit the

criteria for designation. Upon receiving Nasreddin's domestic petition for delisting, U.S. authorities reviewed all of the information in their possession, including the information upon which Nasreddin's original designation was based, additional information, and Mr. Nasreddin's submissions in support of his delisting petition. A primary basis for Mr. Nasreddin's designation was his support for Youssef Nada and Bank al-Taqwa, both of which remain designated. In addition to his petition via the UN Focal Point, Nasreddin also petitioned the USG directly for removal from US domestic sanctions. As part of his request to U.S. authorities, Nasreddin signed statements certifying that he had terminated all business relationships with Nada, Bank al Taqwa, and any other designated individuals and entities, and that he would have no such dealings with listed individuals in the future. Upon a thorough review of all the evidence in USG possession, it was determined that his certifications should be credited. In the event that Nasreddin recommends his support for designated terrorist entities, the USG will not hesitate to re-designate him.

¶12. (U) Please remind the Italian government that the U.S. considered the Italian magistrate's judgment concerning Nasreddin's connections to terrorist financing activities when forming an opinion on Nasreddin's petition. However, the magistrate's decision did not contain any additional evidence on Nasreddin that had not already been seen or that could credibly alter our position.

¶13. (U) With regard to Nada, the reasoning behind the U.S. position on his de-listing request was based on the view that there was no new information in his petition that indicated that the terms of his original designation no longer applied. Unlike Nasreddin, there was no credible information in his petition indicating a change in circumstance warranting de-listing.

¶14. (C) Ultimately, the decisions on 1267 de-listing petitions from Nasreddin and Nada were made by the entire 1267 Committee, not solely by the USG. The Committee operates by consensus. Nasreddin could not have been de-listed without the consent of all 15 Committee members, including Italy. While we opposed Nada's de-listing request, that decision was likewise a 1267 Committee (vice USG) action. It is not customary, nor would it be appropriate, for the USG to issue press statements on 1267 Committee decisions not to take action on de-listing petitions. Since domestic action was taken on Nasreddin, the Department of Treasury did update its Specially Designated Nationals (SDN) list, which is available on its website, as well as notify banks and other individuals/entities who typically receive such updates of the de-listing.

Information Sharing on Himmat

¶15. (C) Concerning the pending de-listing petition via the Focal Point process of Himmat, the GOI requests that we share information on Himmat and coordinate our position with the GOI before informing the Focal Point office of our position.

¶16. (SBU) Ali Ghaleb Himmat (a Syrian-born Italian citizen) was designated by the United States on November 7, 2001, and listed pursuant to UNSCR 1267 and related resolutions on November 9, 2001. He was identified as a principal with Bank Taqwa. Mr. Himmat petitioned in December 2007, via the UN Focal Point, for his delisting. The USG (as the listing government) and the GOI (Himmat's country of residence) have three months to review the petition, and a decision (or decision not to take a position) is due to the UN Focal Point on March 12, 2008.

¶17. (C) The MFA has provided Post with the Italian judge's ruling on Himmat and has asked us to take that ruling into account. The judge's decision on the Himmat case was similar to that in the Nasreddin case, i.e. while Himmat could not be charged under Italian law in place at the time of the

offending activities, the judge still believed Himmat had participated in terrorist financing activities.

¶18. (U) The Focal Point deadline on this case is March 12. The USG is currently considering Himmat's petition, the GOI's input, and additional information available to the USG to form a perspective on this case.

¶19. (U) The USG has no additional information on the Himmat case to share at this time. However, Post will receive further instructions for follow-up consultations once we have reached a decision on the Himmat case.

¶20. (U) Questions may be directed to IO/PSC (Erin Crowe, 202-736-7847).

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